



INSPECTOR GENERAL REPORT

2011-05-0198

August 15, 2012

SPD AUDIT

Inspector General Staff Attorney Kristi Shute, after an investigation by Special Agent Darrell Boehmer, reports as follows:

On May 27, 2011, the Office of the Inspector General (“OIG”) received information from the State Personnel Department (“SPD”) stating that an employee possibly carried an ineligible dependent on her state provided health insurance. The SPD requested the OIG’s assistance in determining the dependent’s eligibility.

The SPD conducted a dependent eligibility verification audit using third party administrator AON Consulting. During the audit, it was discovered that, while the employee enrolled her son as a dependent based on his full-time student status, her son actually did not attend school full-time in 2008, 2009 or 2010.

Records show that the son was covered as an ineligible dependent under his mother’s medical, dental and vision insurance plans. He had three (3) dental claims totaling one hundred fifty five dollars and forty cents (\$155.40) during the ineligible period. In addition, the State overpaid into the employee’s Health

Savings Account in the amount of one thousand three hundred forty seven dollars and ninety three cents (\$1,347.93) and paid a total of nine hundred seventy one dollars and eleven cents (\$971.11) in extra administrative fees for family coverage instead of single coverage. The employee reimbursed the State for the full amount.

Since the amount owed to the State was reimbursed in full and the employee received a letter of reprimand, this investigation is closed for lack of merit.

Dated this 15th day of August, 2012.

APPROVED BY:

/s/ David O. Thomas, Inspector General